calculations on which the retail prices of fertilisers are fixed?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): (a) While fixing the retail prices of fertilizer the cost of production of fertilizers, landed cost of imported fertilizers and also the reasonable return to the farmers are kept in view.

(b) In determining the retention prices of fertilizer the post tax return of 12 per cent on net worth in case of nitrogenous and complex fertilizers and 11 per cent on net worth for SSP is provided.

(c) Fertilizer manufacturers have the same concessions with regard to income-tax as applicable to other industrial units.

(d) The present standard rate of taxation for units other than Cooperative Sector is 50 per cent (40 per cent for Cooperatives). Pre-tax return of 24 per cent on net worth in fixing retention prices of Nitrogenous and complex fertilisers and 22 per cent Pre-tax return on net worth for SSP, is provided. The method of grossing up the rate of return for standard rate of taxation is adopted for nitrogenous fertilisers. The retail prices of fertilisers, however, are not fixed taking into account the retention prices of fertilisers and are fixed keeping in view the cost of production of fertilisers, landed cost of imported fertilisers and also the reasonable return to the farmers on use of fertilisers.

Foodgrains Reserves

1492. SHRI CHIMANBHAI MEHTA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) what is the position with regard to the foodgrains reserves in the country;

(b) what is our estimated annual consumption of various foodgrains, out of this how much is available by way of reserves and to what extent dependence upon this year's crop is proposed; and

(c) in view of failure of monsoon almost throughout the country this year, whether estimated dependence on this year's Kharif crop will be realised and what alternative arrangement Government have thought of with a view to maintain prices of foodgrains, please give details with specific reference to the measures worked out for lower middle class and poor sections of masses?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT): (a) The total stock of foodgrains with the public agencies as on the 1st July, 1987 was estimated at 23.39 million tonnes.

(b) Demand for foodgrains in the country depends on various factors, such as population growth, extent of urbanisation, levels of income, prices of substitutable foodgrains etc. Precise estimates of total consumption/requirements of various foodgrains in the country are not available.

As per buffer stocking policy, the total stock of foodgrains with the public agencies as on the 1st July of the year should be 21.4 million tonnes, against which the available stocks were about 23.39 million tonnes. However, issues from the public stocks are only supplemental to the open market availability.

(c) It is too early to estimate the likely size of the coming Kharif crop. The requirement of the vulnerable sections of the population is being met through public distribution system, employment programmes and scheme for distribution of foodgrains at specially subsidised rates to the people in the tribal areas.